

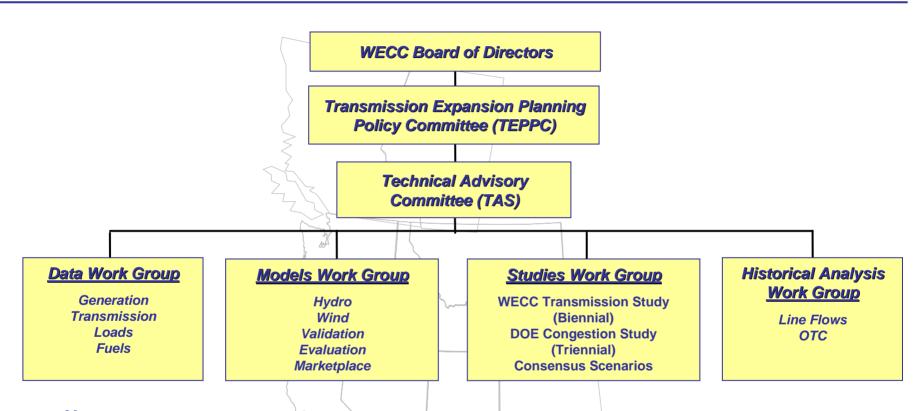
Proposal Highlights

- Meet FERC Order No. 890 requirements using existing organizations, adapted as necessary.
- A layered approach using:
 - ✓ WECC/TEPPC to provide region-wide data services and study coordination.
 - ✓ Sub-regional groups to address issues applicable to their sub-region of interest.
- Implementation Transmission Providers file Attachment K's which reference:
 - ✓ The TEPPC planning protocol which provides for an annual synchronized study cycle.
 - ✓ The appropriate sub-regional planning protocol that addresses sub-regional needs and interests.

TEPPC Role/Charter

- Overseeing development and management of a common data base for economic analysis of transmission planning.
- Providing policy guidance and management of the regional planning process across the region.
- Guiding analyses and modeling for Western Interconnection economic transmission expansion planning.

Organizational Structure



Notes:

- 1. TEPPC has a balanced governance whose members represent: the WECC Board, subregional planning groups, state regulators, state/provincial energy offices, transmission owners, load serving entities, generation owners, consumers advocates, IRP experts, wholesale market experts and environmental interests.
- 2. TAS and work group membership are open to any party wishing to participate.



Common Database for Economic Analysis of Transmission Needs

- SSG-WI database transferred to WECC/TEPPC.
- TEPPC currently updating database for 2007 study program.
 - ✓ Database is an open, transparent starting point of TEPPC's studies and for others studies as well.
 - ✓ Data will be made available in a public database format usable by multiple economic modeling software vendors.



Providing Policy Guidance and Planning Process Management

- TEPPC process is open to all stakeholders.
 - ✓ Diversified committee membership with representatives of :
 - The WECC Board and subregional planning groups.
 - State regulators and state/provincial energy offices.
 - Transmission owners and load serving entities.
 - Generation owners, IRP experts and wholesale market experts.
 - Consumers advocates and environmental interest.
 - ✓ Meetings are open to all interested parties
- Technical Advisory Committee has open membership.
- The TEPPC process is designed to be adaptive:
 - ✓ An annual evolution of performance
 - ✓ Useful and needed improvements to be made from year to year.

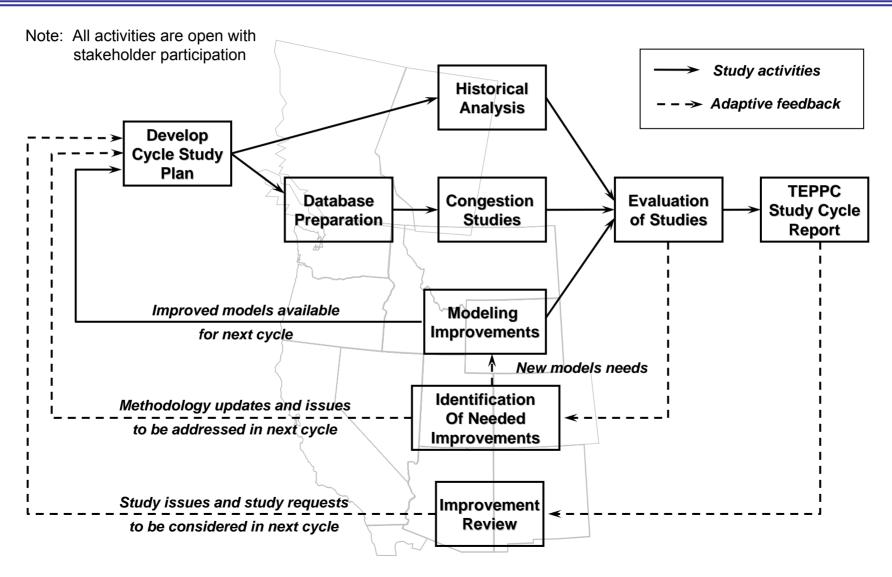


Guiding Analysis and Modeling for Economic Trans. Expansion Planning

- Conduct annual economic studies for transmission expansion planning:
 - ✓ Make assessments of congestion and congestion costs.
 - ✓ Evaluate congestion relief alternatives, both wire and non-wire options.
 - ✓ TEPPC's focus is on region-wide screening studies to encourage project development.
- Provide improved tools and models for conducting economic transmission expansion studies.



The Annual TEPPC Study Cycle — An Adaptive Process



Developing the Annual Synchronized Study Plan

- An annual window opened for receipt of economic study requests.
- Open meetings held to develop the annual study plan:
 - ✓ All requests received by TEPPC, sub-regional groups and transmission providers considered together.
 - ✓ Clustering and consolidation of requests made where possible resulting in a combined Western study plan.
 - ✓ Study leads are assigned (TEPPC, sub-regional groups, or transmission provider) based on technical expertise, breadth of interest, the study focus and stakeholder input.
 - ✓ Studies prioritized based on best use of available resources.
- Coordination among study leads through TEPPC monthly calls and quarterly meetings.
- Combined study report prepared each year, to include an evaluation of process for improvements in next cycle.



An Annual Synchronized Study Cycle

